

July 27, 1988

TO: Atlas General File, M/037/051
FROM: Frank Filas, Reclamation Engineer
RE: Transfer and Bonding of Atlas Mine Sites

It is my understanding that Atlas Minerals is having a firesale and will be transferring up to eight of their mine sites or portions of them to other companies. The majority of these sites are overbonded at the present time because Atlas did not develop the mines to the extent proposed and they have done quite a bit of clean up and reclamation during the past five years. The current bond amount and a new bond estimate is listed below for seven of these mines. The estimate can, obviously, be reduced further if portions of the site(s) are reclaimed prior to permit transfer.

<u>Mine Name</u>	<u>File No.</u>	<u>Current Bond</u>	<u>Proposed Bond</u>
Patti Ann	M/037/003	\$30,210	\$23,800
Standard I	M/037/005	\$23,018	\$ 5,700
Rim/Columbus	M/037/006	\$57,068	\$36,100
Standard II	M/037/011	\$ 9,795	\$ 1,300
Dunn	M/037/017	\$45,441	\$13,200
Far West	M/037/019	\$105,061	\$35,300
Ivy	M/037/034	\$11,657	\$ 3,500
	Total	\$282,250	\$118,900

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Dunn Mine, M/037/017

Description:

Atlas originally proposed to disturb 34 acres, but development was curtailed at an early date with approximately 5 acres disturbed. The onsite building and evaporation ponds will probably be kept to support the post mining land use of farming. The decline and borehole will have to be sealed and the wastepile will have to be regraded and topsoiled. Topsoil has been stockpiled.

<u>Item</u>	<u>Amount</u>	<u>Rate</u>	<u>Cost</u>
Remove Debris		Lump sum	\$,500
Regrade waste dump and topsoil	D-7 80 hours	\$110/hr	8,800
Rip and seed 5 acres	D-7 w/laborer 8 hours	\$125/hr	1,000
Seed	5 acres	\$80/ac	,400
		Subtotal	\$10,700
10% Contingency			1,100
Total in 1988 \$			\$11,800
Escalation (2.3% for 5 years)			1,400
Total in 1993 \$			\$13,200